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10/824,322	04/13/2004	Thomas G. Woolston	2043.566US7	5381
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EXAMINER				
ALLEN, WILLIAM J				
ART UNIT		PAPER NUMBER		
3625				
NOTIFICATION DATE		DELIVERY MODE		
11/14/2008		ELECTRONIC		

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Notice of the Office communication was sent electronically on above-indicated "Notification Date" to the following e-mail address(es):

USPTO@SLWIP.COM

Office Action Summary

Application No.

10/824,322

Applicant(s)

WOOLSTON, THOMAS G.

Examiner

WILLIAM J. ALLEN

Art Unit

3625

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 14 August 2008.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-10 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-10 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 13 April 2008 is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftperson's Patent Drawing Review (PTO-948)
- 3) ☒ Information Disclosure Statement(s) (PTO-850)
- Paper No(s)/Mail Date 10/15/04; 4/30/04; 4/13/04
- 4) ☐ Interview Summary (PTO-413)
- Paper No(s)/Mail Date _____
- 5) ☐ Notice of Inventor's Patent Application
- 6) ☐ Other: _____

DETAILED ACTION

Prosecution History Summary

Claims 11-23 have been canceled.

Claims 1-10 are rejected as set forth below.

Election/Restrictions

Applicant's election without traverse of group I, claims 1-10 in the reply filed on 8/14/08 is acknowledged.

Claim Rejections - 35 USC § 112, First Paragraph

The following is a quotation of the first paragraph of 35 U.S.C. 112:

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

1. Claims 3-5 are rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the enablement requirement. The claim(s) contains subject matter which was not described in the specification in such a way as to enable one skilled in the art to which it pertains, or with which it is most nearly connected, to make and/or use the invention.

Claims 3-5 describe such features as “creating an option to buy or sell goods at some future date at a specific quantity and price; and selling said option to a participant”; “pooling the assets of a legal owner of a plurality of collectable goods and selling shares in said pool of assets from said step of pooling to a participant” and “creating an option to buy or sell at some future date at a specific quantity and price of said pool of assets from said step of pooling said assets;

and selling said option to an participant”. Such features only appear in the claims and are not described in such a way as to convey how to make or use the invention to one skilled in the art.

Claim Rejections - 35 USC § 112, Second Paragraph

The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

- 2. Claims 3-5 rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.**

Claims 3-5 describe such features as “creating an option to buy or sell goods at some future date at a specific quantity and price; and selling said option to a participant”; “pooling the assets of a legal owner of a plurality of collectable goods and selling shares in said pool of assets from said step of pooling to a participant” and “creating an option to buy or sell at some future date at a specific quantity and price of said pool of assets from said step of pooling said assets; and selling said option to an participant”. Such features only appear in the claims and are not described in such as to clearly portray the claimed invention. It is thereby unclear what constitutes “creating an option to buy or sell...” and “pooling the assets...”.

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

3. Claims 1, 3-6, and 8-10 are rejected under 35 U.S.C. 103(a) as being unpatentable over Nahan et al. (US 5664111) in view of PTO form 892 reference V.

Regarding claim 1, Nahan teaches a method for creating a computerized market for used goods and collectibles using a computer, a database and a plurality of participant terminals comprising the steps of:

posting a used or collectable good on a market maker computer by creating a data record for said good having an item identification and offer price (see at least: abstract lines 4-9, col. 2 lines 57-59, col. 2 line 60-col. 3 line 9);

displaying in response to a participant request from said participant terminal to display said data record information on said participant terminal (see at least: abstract lines 14-18, col. 3 lines 6-9, col. 7 lines 60-62, col. 7 lines 65-col. 8 line 3, col. 8 Table 1 and lines 26-30, col. 9 lines 61-62, col. 10 lines 9-12 and 56-62, Fig. 6));

processing an order to buy said good from said participant terminal by transferring ownership of said good from a first owner to a second owner (see at least: abstract lines 24-30, col. 2 lines 42-45, col. 4 lines 1-6 and 32-35).

Despite teaching the above, Nahan does not expressly teach *changing said data record to reflect a new offer price from said second owner and posting said good on said market maker computer at said second owner offer price*. Along these lines, however, Nahan does indeed teach an item history, the item history including previous prices paid for the item and an updated item record (see at least: col. 4 lines 54-58, col. 13 lines 3-12).

The above noted features are analogous to financial speculation in the arena of artwork, collectibles, and antiquities. Financial speculation involves the buying, holding, selling, and short-selling of stocks, bonds, commodities, currencies, collectibles, real estate, derivatives, or any valuable financial instrument to profit from fluctuations in its price as opposed to buying it for use or for income via methods such as dividends or interest. In other words, speculation involves exchanging ownership of an item from a first owner to a second owner and the second owner providing the purchased item for sale at an increased price (i.e. analogous to *changing the data record to reflect a new offer price and posting said good at the second offer price*). The noted features, then, would have been obvious because the incorporation of such features is recognized as part of the ordinary capabilities of one of ordinary skill in the art.

In this field of endeavor, PTO form 892 reference V teaches the advent of speculation in art auctions (see at least: Boxes 1 & 2). More specifically, PTO 892 V teaches where it is known in the art industry for speculators to buy large holdings of art for a quick profit, often times raising the prices and reselling the works because of strong demand (see at least: Boxes 3-5).

One of ordinary skill in the art at would have found it obvious to update Nahan using the well known aspect of speculation as found in PTO 892 V in order to gain the commonly understood benefits of such adaptation, such as facilitating the purchase and resale of artwork, collectibles, or the like for profit (see at least; PTO 892 V, Boxes 1 and 5). This would be accomplished with no unpredictable results. As stated in *Leapfrog*, "applying modern electronics to older mechanical devices has been commonplace for years." (*Leapfrog Enterprises, Inc. v. Fisher-Price*, 485 F.3d 1157, 82USPQ2d 1687 (Fed. Cir 2007).

Regarding claims 3-6 and 8-10, Nahan in view of PTO 892 V further teaches:

(3) *creating an option to buy or sell goods at some future date at a specific quantity and price; and selling said option to a participant* (see at least: col. 3 lines 57-67, col. 11 lines 37-59). The Examiner notes that the reservation represents an option to buy/sell in the future.

(4) *pooling the assets of a legal owner of a plurality of collectable goods; and selling shares in said pool of assets from said step of pooling to a participant* (see at least: col. 4 lines 54-60, col. 12 lines 42-51). The Examiner notes that grouping a particular artists work and allowing purchases from that grouping is analogous to *pooling assets* and *selling shares*.

(5) *creating an option to buy or sell at some future date at a specific quantity and price of said pool of assets from said step of pooling said assets; and selling said option to an participant* (see at least: col. 3 lines 57-67, col. 4 lines 54-60, col. 11 lines 37-59, col. 12 lines 42-51 .

(6) *electronically presenting a good from a first computerized market to a second computerized market for goods by transferring said data record created in said step of posting a*

good for sale from said first computerized market to said second computerized market (see at least: col. 2 lines 57-59, col. 2 line 64-col. 3 line 6).

(8) *creating a data record of said step of transferring ownership of said good in said step of processing an order and storing said data record on a storage device owner (see at least: abstract lines 24-30, col. 2 lines 42-45, col. 4 lines 1-6 and 32-35, col. 13 lines 3-12).*

(9) *searching said data records from said step of creating a data record in response to a search request from a participant (see at least: col. 13 lines 3-12).*

(10) *analyzing said data records from said step of creating a data record to identify the price of a good over a predetermined period of time (see at least: col. 13 lines 3-12).*

4. Claim 2 is rejected under 35 U.S.C. 103(a) as being unpatentable over Nahan in view of PTO 892 V as applied to claim 1 above, and further in view of Shultz et al. (US 5056019).

Regarding claim 2, Nahan in view of PTO 892 V teaches all of the above noted but does not expressly teach *clearing the transfer of ownership of said used good in said step of processing by debiting an account of said second owner*. Nahan, however, does indeed teach effecting payments as part of the transfer of ownership, the payment being made via a funds transfer (see at least: col. 14 lines 6-14). Such features, however, would be recognized as readily substitutable by one of ordinary skill in the art. For example, Shultz teaches a system where customers to use their debit cards to authorize the debiting of their bank accounts for the purchase amount (see at least: col. 6 lines 43-47). It would have been obvious to one of ordinary skill in the art to include debiting a account of a second user as taught by Shultz because the claimed invention is merely a combination of old elements that would have performed the same function separately as combined and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

5. Claim 7 is rejected under 35 U.S.C. 103(a) as being unpatentable over Nahan in view of PTO 892 V as applied to claim 1 above, and further in view of Abel et al. (US 5852809).

Regarding claim 7, Nahan in view of PTO 892 V teaches all of the above as noted but does not expressly teach *automatically paying a commission to said computerized market from said transfer of ownership of said good by said computerized market deducting said commission from said purchase price paid to said seller*. In the same field of endeavor, Abel teaches a system for routing data and communications to one of a plurality of remote sites to promote reciprocal interaction among the remote sites (see at least: abstract). More specifically, Abel teaches *automatically paying a commission to said computerized market from said transfer of ownership of said good by said computerized market deducting said commission from said purchase price paid to said seller* (see at least: col. 1 lines 56-59, col. 2 lines 46-53, col. 14 lines 15-17). It would have been obvious to one of ordinary skill in the art at the time of invention to have modified the invention of Nahan and PTO 892 V to have included the noted features as taught by Abel because the incorporation of such features is no more than the combination of known prior art elements according to their established function yielding predictable results.

Conclusion

The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

- US 5664111 A discloses a computerized, multimedia, network, real time, interactive marketing and transactional system
- US 5999915 A discloses a computerized, multimedia, network, real time, interactive marketing and transactional system
- US 4833607 A discloses an apparatus and method to control economical systems
- US 5712989 A discloses a just-in-time requisition and inventory management system
- US 5873099 A discloses a system and method for maintaining redundant databases
- US 4865097 A discloses an antique doll protection system
- US 5854833 A discloses a processing using DEF records
- US 5794220 A discloses a method and means for ranking and pricing items
- US 4823265 A discloses a renewable option accounting and marketing system
- PTO 892 reference U teaches art auctions and the ability from speculators to profit from market conditions
- PTO 892 form W teaches where the San Fernando Valley Assn. of Realtors developed a new system where buyers can use a computer network to choose a home, electronically fill out escrow and title information, and get preliminary mortgage approval in a single visit
- PTO 892 reference X teaches where America Online, as well as other competitors, allows real estate brokers who subscribe to its service to post a "generic service announcement,"

saying that they offer real estate services. Licensed brokers may list up to 10houses for sale and individuals may list their own houses

Any inquiry concerning this communication or earlier communications from the examiner should be directed to WILLIAM J. ALLEN whose telephone number is (571)272-1443. The examiner can normally be reached on 8:00 AM to 5:30 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Jeff A. Smith can be reached on (571) 272-6763. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

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